They are in fact a price paid for a commodity, the obligation to pay resting on the promise of the owner implied in the taking of the water. *Vreeland* v. *O'Neil*, 36 N. J. Eq. 399. The better view, therefore, seems to be that water rents are not taxes, and should not constitute a prior lien on a bankrupt's estate.

BANKS AND BANKING — DEPOSITS — RIGHTS OF DEPOSITOR WITHDRAWING DEPOSIT DURING "RUN." — The petitioner, hearing rumors of its insolvency, withdrew his deposit from the X bank. But on the assurance of the X bank's officers that the bank was solvent he immediately returned the money and took drafts for the amount on the Y bank. In fact the X bank was insolvent, though its officers did not know the fact. The drafts were not paid, the Y bank applying the fund on which they were drawn to the payment of notes of the X bank held by it and secured by collateral. *Held*, that the petitioner is entitled to be subrogated to the rights of the Y bank in the collateral which it held. *Livingstain* v. *Columbia Banking and Trust Co.*, 62 S. E. 249 (S. C.).

The prevailing doctrine is that a payment to a depositor during a "run" on a bank is not a preference, provided the bank is continuing in business and the payment is made in the regular course thereof, even though the bank is insolvent to the knowledge of its officers. *Stone* v. *Jenison*, 111 Mich. 592. Hence the money withdrawn by the petitioner in the present case was not impressed with a trust in favor of the bank's general creditors. The drafts must therefore be regarded as issued for cash paid into the bank. But this does not warrant the relief given. For by the weight of authority the purchaser of a draft drawn by an insolvent bank has no priority over the general creditors against the funds on which the draft was drawn. *Clark* v. *Toronto Bank*, 72 Kan. 1. *Contra*, *Roberts* v. *Corbin*, 26 Ia. 315. It is therefore submitted that the case falls within the rule that subrogation, being founded on equitable principles, should not be applied against the interests of persons having equities equal to that of the claimant. *Cf. Ex parte Reynolds*, 68 S. C. 436. But see *Livingstain* v. *Columbia Bank*, 77 S. C. 305.

BILLS AND NOTES — DOCTRINE OF PRICE *v.* NEAL — WHERE DEFENDANT IS NOT AN INNOCENT HOLDER FOR VALUE. — A person not disclosed forged a check payable to a city and without the defendant's knowledge or request delivered it to the city in payment of improvement assessments on the defendant's land. The drawee bank paid the check to an innocent holder for value and after discovery of the forgery sought to recover from the defendant. *Held*, that the plaintiff may not recover. *Title Guarantee and Trust Co.* v. *Haven*, 126 N. Y. App. Div. 802.

It has long been law that the drawee of a forged check who has paid the same to an innocent holder for value cannot recover from the latter. *Price* v. *Neal*, 3 Burr. 1354. Not only has this much criticised rule been adopted as common law in this country, but it has also been made a part of the Negotiable Instruments Law. See N. Y. Laws of 1897, c. 612, § 112. Though the principal case is professedly decided on the doctrine of *Price* v. *Neal*, it is difficult to see the application. This is not a case wherein "one of two innocent parties must suffer a loss in any event," nor does it come within the reason of the rule that as between parties having equal equities the loss must rest where it falls." See 4 HARV. L. REV. 297. Whether an action for money paid to the defendant's use would lie, the authorities seem doubtful. *Mattlage* v. *Lewi*, 6 N. Y. Misc. 150. However, it is submitted that a quasi-contractual remedy exists; for the defendant, if allowed to retain the fruits of the fraud without liability, is clearly unjustly enriched.

BILLS AND NOTES — FICTITIOUS PAYEE — THE NEGOTIABLE INSTRUMENTS LAW. — A drew a check on the plaintiff payable to B, a real person, and forged C's signature thereto. The plaintiff accepted the check. A then forged B's signature as indorser after which the check passed in due course of business to the defendant who paid it. The plaintiff paid the defendant, but on discovering the forgery sought to recover the amount paid. *Held*, that the plaintiff may